HOUSE RESOLUTION

REQUESTING THE DEPARTMENT OF HUMAN SERVICES AND DEPARTMENT OF
HEALTH TO NOT CONSIDER CERTAIN BENEFITS UNDER TITLE II OF
THE SOCIAL SECURITY ACT AS INCOME WHEN DETERMINING MEDICAID
ELIGIBILITY AND TO ADOPT RULES TO ALLOW A PROVIDER OF
MEDICAID ADULT DAY HEALTH SERVICES TO BILL IN FIFTEEN
MINUTE INCREMENTS.

WHEREAS, small developmental disability domiciliary homes located in the community are vital components of the State's services for individuals with developmental disabilities, providing them with a home, meals, and general supervision; and

WHEREAS, individuals with disabilities who have extremely low income rely on federal supplemental security income ("SSI") for living expenses, but SSI alone is grossly insufficient to cover the cost of necessary residential and health care services, particularly in settings such as community care foster family homes, certified adult foster homes, and developmental disability domiciliary homes; and

WHEREAS, Hawaii has long recognized and addressed the shortfall in living income by authorizing a state payment supplemental to SSI under section 346-53(c), Hawaii Revised Statutes; and

WHEREAS, individuals with disabilities who have extremely low income and rely on SSI also rely on the State's Medicaid program for medical care and home and community based services to maintain a healthy and productive life in the community; and

WHEREAS, eligibility for Medicaid services is subject to a Medicaid income qualification standard, and, in the case of some individuals, the receipt of federal disability benefits under Title II of the federal Social Security Act causes the individual's total income to exceed the income qualification standard for SSI and the state supplement to SSI and, as a result, eligibility for Medicaid; and

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WHEREAS, when a Medicaid recipient's total income exceeds the Medicaid income qualification standard, in order to retain eligibility for Medicaid the individual must spend down all of the recipient's income as cost share for Medicaid services until the recipient's income equals an arbitrary "medically needy" standard of \$469 per month, which is the only amount the individual retains for personal expenses including room and board and other non-medical expenses; and

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WHEREAS, the medically needy amount of \$469 is grossly inadequate to cover an individual's living expenses in a developmental disability domiciliary home, and the operator of the home must then make a choice between evicting the individual and absorbing the difference between the resident's income and the cost of the resident's room, board, and services; and

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WHEREAS, in many cases, the cause of the individual's income exceeding the Medicaid qualification standard is the receipt of social security disability income under Title II of the Social Security Act on the basis of blindness or disability that began before the resident attained the age of twenty-two; and

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WHEREAS, it appears that some states do not consider such social security disability income, or the increase thereof, as income when determining Medicaid eligibility, thereby eliminating the need to spend down to the medically needy standard; and

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WHEREAS, it appears that Hawaii and ten other states choose whether or not to consider such income, and Hawaii has not implemented a rule to not consider such amounts as income, which causes extreme financial difficulty for affected individuals and service providers; and

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WHEREAS, one vital Medicaid service for elderly and disabled individuals is adult day health services, which are provided by numerous providers in a variety of community settings for individuals who are eligible for Medicaid; and

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WHEREAS, the Department of Health only allows providers to bill for a six-hour full day or three-hour half day; as a

result, if a half day client is present for fewer than three hours in one day, the provider can bill nothing, and if a full day client is present for fewer than six hours in one day, the provider can bill for only a half day; and

WHEREAS, expenses are not reduced when a client is present for less than a full or half day; therefore, providers should be paid for services actually rendered; now, therefore,

BE IT RESOLVED by the House of Representatives of the Twenty-eighth Legislature of the State of Hawaii, Regular Session of 2015, that the Department of Human Services and Department of Health are requested to not consider as income the Social Security Act Title II benefit or any increase in that benefit if the benefit makes an individual ineligible for the state supplement to SSI and Medicaid; and

BE IT FURTHER RESOLVED that the Department of Human Services and Department of Health are urged to take all actions necessary to allow a provider of Medicaid home and community based adult day health services to bill in fifteen minute increments instead of full- or half-day increments; and

BE IT FURTHER RESOLVED that certified copies of this Resolution be transmitted to the Director of Human Services, Director of Health, and Hawaii State Council on Developmental Disabilities.

OFFERED BY:

